

LATE EDITION.

PRICE ONE PENNY.

# The Sydney Morning Herald.

No. 24,630. Registered at the General Post Office, Sydney, for transmission by post as a newspaper.

## SUMMARY.

The German Chancellor announced on Tuesday that he had presented his proposals through neutral Ministers.

At the end of the war, and the territorial status before the war, and the future of the German colonies.

Proposed the establishment of the German Empire of Poland and Lithuania, and a revision of the Balkan boundaries.

"Our enemies refuse conciliation," said the German Chancellor.

The German peace proposals are regarded as a demand for Poland and Russia as colonies.

The United Press says that Germany declares its demands are on the part of the Allies according to the German peace terms.

The proposals are considered a move on the part of Germany to create a demand for peace which will not consider the possibility of peace.

Financial representatives state that the Allies will not consider the possibility of peace.

SMALL BRITON SAILOR HAT, of fine quality. Tassel, prettily trimmed with fancy band. Large plaited tassel, with small knot, being piped with some tone to match trimming, finished with small ornament of Oriental design. Price, £1.50. Postage, 1/-.

ROYAL MAIL STEAMERS FOR COLOMBO, EGYPT, MARMARIS AND LONDON, FIRST AND SECOND CLASS ONLY.

SYDNEY, 1916.

SEVENTY-SIX YEARS.

FARMER'S THEATRE DINNERS.

TO-MORROW, EVENING, 4.30 TO 8.30,

AND ON DECEMBER 22 AND 23.

FARMER'S FOR MILLINERY

OF DISTINCTION AND UTILITY.

SPECIAL PURCHASE OF TRIMMED HATS.

The Home of Farmer's has always been noted for the distinctive touch and the wealth of variety of smart HEAD-WEAR. HAVE

seen the new Millinery? Each day has

its Special feature in this class of Hat, always

utilized, combined with strict economy in

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## GOVERNMENT RAILWAYS.

TROTTING MEETING AT RICHMOND.

FRIDAY, DECEMBER 15.  
A SPECIAL TRAIN will leave Sydney (Horse Dock) at 6.10 a.m., and leave Richmond on return at 10.30 a.m.  
Further particulars obtainable from Stationmaster.

## AMUSEMENTS.

## TIVOLI THEATRE.

Governing Director HUGH D. MINTOSH.

MATINEES, WEDNESDAYS AND SATURDAYS.

STILL SHINING BRIGHTLY.

THE CASSING SHOW.

(1916).

A BLUFF OF BRILLIANT PEOPLE.

Last to SYDNEY JAMES.

The Most Versatile and Refined Comedian in the Empire, and the Funniest Ventriloquist in the World.

MADELINE ROSSITER.

The Perfection of Laughter and Comic Subtlety.

GIVEN LEWIS.

Scintillating.

G. W. DESMOND.

Geo. Grattone.

The Director.

WINIFRED LEVERIDGE.

That Girl.

BILLY LE BRUN.

The Standing Joke.

EILEEN COOPER.

The Sweetest Tonic.

EVERY GIRL IN THE PASSING IS REAL.

THIS IS THE LEAST YOU CAN DO TO COM-

MIND HER AND A LOT MORE THAN HERE AP-

PEARANCE TO ENSURE SUCCESS.

SAY IT PLAINLY, THE PLAINLY OF GIRL IS THE THING, ALWAYS PROVIDED THAT

YOU GET THAT PLAINLY GOOD.

WALTER AND VIVIAN.

DENNIS AND CLIFFON.

Princesses of the Stage.

BEATRICE AND HAZEL SKYLARK.

Book right ahead, or come along early, early, because if you have to stand you are tired, and if you can't get your nose in you do feel so sorry.

Plan at Nicholson's and Tivoli. Phone, 3884 for Reserves.

A\* THE UNION PICTURE THEATRE.

LYCEUM AND CRYSTAL PALACE, TO-DAY.

AND ALL THE WEEK.

THE STAR STUPENDOUS.

MISS BILLIE BURKE.



PALING'S PIANOS—CHAPPELL, SAMES,  
ESTEY, AND VICTOR PIANOS.

EASY TERMS  
IF YOU WISH.



SEND FOR CATALOGUE,  
POST FREE.

Paling's Pianos are pure in tone, responsive in touch, and are sold fully guaranteed.

Paling's guarantee absolutely guarantees satisfaction, new and old, of these wonderful entertainments. Come in to-day!

**W. H. PALING AND CO., LTD.**

388 GEORGE-STREET, SYDNEY.

SOLE AGENTS FOR CHAPPELL, SAMES, ESTEY, AND VICTOR PIANOS.



INVISIBLE BIFOCALS.

FOR DISTANCE AND NEAR SIGHTS.

TWO EIGHTS IN ONE PAIR, CAN BE USED FOR ALL PURPOSES. NO SEAM OR CEMENT, OR SMALL PIECE STUCK ON. MORE CONVENIENT THAN TWO SEPARATE PAIRS. THESE LENSES ARE GROUNDED IN OUR OWN WORKSHOPS. EXHIBIT SIGHT-TESTING.

SATISFACTION GUARANTEED.

**GIBB AND BEEMAN, LTD.,**

CONSULTING OPTICIANS.

6 HUNTER-STREET (3 doors from George-street), 384 Pitt-street (between Liverpool and Goulburn st.),  
38 GEORGE-STREET (opposite Strand), SYDNEY; AND AT NEWCASTLE,

**MONTSERRAT LIME JUICE**

BRINGS TO YOUR LIPS THE  
JUICE OF THE LIME FRUIT.

IT IS A DRINK THAT IS  
ALWAYS COOLING AND REFRESHING.

THE CHILDREN LOVE IT.

ORDER A FEW BOTTLES TO-DAY.

LARGE SUPPLIES ARE BEEN LATELY SHIPPED  
FROM LONDON.

MONTSERRAT IS SOLD BY ALL LEADING STOREKEEPERS.

THE QUESTION OF THE DAY.

The question of to-day, of to-morrow,  
and of every succeeding day, is

HAVE YOU USED PEARS' SOAP? If you have not, you have not done your duty by your skin and complexion. If on the other hand—that is, on both hands and on the face, and on the skin generally—you HAVE AND PEARS', you can have happy days. You will have done the best that possibly can be done for the skin's health and beauty. There can be no question about that.

PEARS' has been making beautiful complexions for nearly 120 years.

PEARS.

MATCHLESS FOR THE COMPLEXION.

YOU WILL FIND THAT IN AT O. K. ELLIOTT'S GOES AS FAR AS IN ELSEWHERE.

FROM FACTORY TO CUSTOMER AT FACTORY PRICES.

NO SHOPKEEPER ON EARTH LANDLORD HAS A LOOKIN AT O. K. ELLIOTT'S FURNITURE, INC. WE HAVE OUR OWN SHOWROOMS, CLOTHES, COTTONS, FURNITURE, ETC. ON SHOW. FROM £17/0. THE TARIFF SO FAR HAVE NOT INCREASED OUR PRICES. YOU CAN BUY IN THE EARTH. WE HAVE SPARE PARTS FOR ALL MANUFACTURED IN OUR 60,000 FEET SHOWROOMS. JUST LANDED, LARGE EQUIPMENT NEW DESIGNS. CARPET, SOFA, HALL RUNNERS, IN REED, BLAZER, GREENS, BROWNS, 500 ROLLS LINEN AND FLOWERTINS.

ALL MARKED IN PLAIN FIGURES. FACTORY PRICES.

OLD OAK DINING-ROOM SUITE, UP-WOULDERED, FACTORY PRICE, £4/15/-, ELEGANT, 27 FT. 6 INCHES, SITES FROM 40/- TO 100/-, BEDROOM SUITE, 40 FT. 6 INCHES, BEDSTEAD, HANDMADE, TOP QUALITY, FABRIC STOCKS, CARPETS, LINENS, RUGS, MATS, CURTAINS, AND BLINDS. WE MANUFACTURE FROM ANY MATERIALS. CLOTHES, COTTONS, FURNITURE, ETC. ON SHOW. WHOLESALE PRICES. THE TRADE BILLETED OPEN THIS AFTERNOON. COUNTRY ORDERS PACKED FREE. FREE DELIVERY BY OUR OWN WAGONS. THE TRADE BILLETED OPEN THIS AFTERNOON. WE ICE CHESTS PAY FOR THEMSELVES. PARAGON BARBERS' CHAIRS, MIRRORED SHAMPOO.

O. K. ELLIOTT'S FACTORY & SHOWROOMS.

THE CRESCENT, ANNANDALE.

BALMAIN TRAM ONLY TO DOOR: 144 FROM THE RAILWAY.

DRINK

DRINK

RESCH'S

AUSTRALIAN

LAGER, PILSENER, DINNER ALE, and STOUT.

BREWERY: DOWLING-STREET, REDFERN.

THREE-PLY FIR.

The most beautiful Timber for Wainscoting and Panelling. It can be stained to represent almost any timber, and takes a fine wax polish; in fact, it is ideal for exterior finish.

LARGE STOCKS AND SMALL PRICES.

GEORGE HUDSON AND SON, LTD.,

TIMBER MERCHANTS, GLEBE.

PHONES: MEWS, 881; CITY, 918.

FURNITURE, ETC.

FURNITURE ON TIME-PAYMENT AT CASH PRICES.

ON TIME-PAYMENT AT CASH PRICES.  
£10 weekly, £10 weekly.

£10 weekly, £10 weekly





# ENEMY'S TERMS OF PEACE

## ALLIES' OPINION

### "A COLOSSAL BLUFF"

# ROUMANIANS

## DRIVEN FURTHER BACK

# ORGANISATION

# NEW FRENCH CABINET

The German Chancellor has sent to the Allies, through neutral channels, a formal offer of peace. It is understood that the terms suggested represent, with certain modifications, the territorial status before the war.

The Allies generally regard the offer as an example of "colossal German bluff," and it is nowher suggested that it will be seriously entertained.

An announcement of a new French Cabinet, reconstructed solely for the more vigorous prosecution of the war, is daily expected. General Nivelle, it is thought, will succeed General Joffre as generalissimo.

The Roumanians have fallen further back towards Moldavia. The Germans claim the capture of an important town east of Ploesci.

# WESTERN FRONT.

## TRENCH BATTLES.

LONDON, Dec. 13. General Sir Douglas Haig, reporting at midnight on Tuesday, says:—There were successful mining operations southward of Ypres. The enemy is making artillery and trench mortar attacks opposite Festubert and Neuve Chapelle. An enemy ammunitions dump at Vimy was set on fire. We bombarded, by way of retaliation, the enemy's support line, northward of the Acre.

A French communiqué states:—A German attack at Bois de Lages, north of Lagny, was broken up by our barrage. Heavy detachments which gained a footing in our advanced trenches were driven out with grenades, and our line entirely re-established.

The French communiqué, issued at mid-night on Tuesday, says:—South of the Somme there were brisk reciprocal artillery fire in the Blacque and La Maisonne regions.

# FRENCH CABINET.

JOFFRE MAY RETIRE.

PARIS, Dec. 12. The Premier, M. Briand, has deferred his retirement with reference to the appointment of a new Cabinet until Wednesday.

The Cabinet will consist of nine Ministers, namely, foreign, war, marine and colonies, finance, home, munitions, food, and internal economy, which will be fully represented with justice, instruction, and labour departments combined. Five Ministers without portfolios will retire. M. Briand will retain the Ministry and the Foreign Office.

It is stated that General Castelnau will accompany General Joffre on the Allied War Board.

General Nivelle, the hero of the Verdun offensive, who is expected to be the new generalissimo, was a colonel when war broke out. He made a reputation by capturing 2400 men, which were the first prisoners of the year. His most famous day was on the Aisne on September 16, 1916, when the Germans caught the 7th French Army Corps crossing the river. Part of the corps was forced to recross, when General Nivelle galloped up with guns and a fierce massacre of Germans followed.

The Paris correspondent of the "Manchester Guardian" says that General Joffre is retiring, and will be appointed President of the Military Council of the Allies, retaining the title of Commander-in-Chief.

The Paris correspondent of the "New York Times" says that the new Cabinet will probably include: Premier and Foreign Minister, M. Briand; Minister of War, General Nivelle; recently commander of the French forces in Morocco; Finance, M. Bignon; Justice and Labour, M. Viviani; Navy, René Adolphe Lacaze; War Products, M. Albert Thomas; Interior, M. Briand.

# AIR RAID CASUALTIES.

LONDON, Dec. 12. According to an official message, the casualties caused in the northern and eastern counties by the Zeppelin raid on November 22 were:—

One man, three women, fifteen men, sixteen women, seven children.

# HOSPITALS FOR OFFICERS.

LONDON, Dec. 12. A Royal officials' message states that Thursdays and Fridays in each week will be meetings in Italy.

# ENEMY IN ROUMANIA

## STILL ADVANCING.

## ATTEMPTED BLUFF.

## CLAIMS ANOTHER TOWN

LONDON, Dec. 13. A Russian communiqué states:—Enemy attacks south-east of Kovel, in the wooded Carpathians, and on the frontier of Moldavia, were repulsed. We captured some heights. The Germans are unsuccessfully attacking north of Cisnau, in the Buzen Valley, and west of Misilu, which are 30 miles north-east and 25 miles east of Ploesci respectively.

### EMPEROR CLAIMS MIZILU.

A Berlin official message says:—We captured Mizilu, halfway between Ploesci and Buzen and Uzilean, 30 miles south-west of Ploesci. We have taken 10,000 prisoners in three days. We captured several guns and much war material.

### EMPEROR'S VISIT.

The Italian newspaper "Il Secolo" states that the German Emperor will shortly pay a visit to Bucharest.

General von Stolzenberg has been appointed chief of the General Staff at Bucharest.

### GREEK TREACHERY.

#### ATTEMPT TO GAIN TIME.

LONDON, Dec. 12. The "Daily Telegraph's" Piraeus correspondent writes:—King Constantine and the military are trying to gain time. The rest of the population are alarmed at the prospect of war with the Entente. The Allied subjects have left Athens and are living on requisitioned ships' stores and Katerini. Only the Ministers are remaining in Athens.

Six thousand Venetians, as the arrests continue, have taken refuge in Piraeus.

The Government states it is willing to make reparation, and dismiss certain army officers, but it is opposed to the re-establishment of the allied control or disarmament.

The Government has hurriedly transported to Athens the wheat which had been stored at Piraeus.

A message from Berno states that King Constantine has ordered a general mobilisation.

### INTERIOR ARMY CORPS.

A wireless message from Berno says:—Information from an official German source shows that the commander of the "kidnapped" Greek army corps, which has been nominally interned at Gorizia (Prussia) since it surrendered to the Bulgarians in Macedonia, has received King Constantine's orders to hold himself in readiness to co-operate with the Germans and Bulgarians against General Sarrail. Preparations have been made during the past week to transport the corps to Macedonia, and it is believed it is now en route.

The corps received systematic training from German instructors, and courses of military lectures were held for the benefit of the officers. There are indications that from the outset King Constantine and the German Emperor arranged to use them against the Allies at the first opportunity.

### THE ENEMY'S TERMS.

A Washington message states that a prominent official in the German Embassy has informed the United Press Association that Germany's peace terms include:

A return to the territorial status before the war, with the following exceptions:

The establishment of the Kingdom of Poland and Lithuania, and a readjustment of the international boundaries in the Balkans.

The latter question is so complicated that it means at least the partial restoration of Serbia and Romania.

The return of Germany's lost colonies.

The Embassies official adds that the factors which led to the German proposals are the favourable military position of the Central Powers, the fact that winter necessitates the cessation of hard fighting, and the desire to convince the world that the Germans are not fighting a war of territorial conquest. But the important question is to decide whether the Allies will fight on.

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### THE TANFIELD SAFE.

LONDON, Dec. 12. Lloyd's agents report that the British steamer Tanfield, 4300 tons, which was reported to have been sunk, is safe.

### ITALIAN FRONT.

LONDON, Dec. 12. An Italian official message states:—The enemy attempted to attack Dossobocca, south-west of Loppio, but was repulsed. Bad weather on the Carseo impedes artillery operations.

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### RAILWAY RESTRICTIONS.

LONDON, Dec. 12. As a result of public protests, the War Office has decided that it will be impossible to enforce the new restrictions on railway travelling before the end of the year. Therefore the same proportion of troops in Britain will speed Christmas at home as in 1915.

### MEATLESS DAYS IN ITALY.

LONDON, Dec. 12. A Royal officials' message states that Thursdays and Fridays in each week will be meetings in Italy.

# ENEMY PEACE TERMS

## CLAIMS ANOTHER TOWN

## NOTE TO THE ALLIES

## APPEAL TO POPE.

## OFFER PRACTICALLY STATUS BEFORE WAR."

LONDON, Dec. 13. An official wireless message states that the Imperial Chancellor, Dr. von Bethmann Hollweg, announced in the Reichstag that Germany and her allies, conscious of their responsibility before God, before man, before the nation, and before humanity, had proposed that morning that the hostile Powers enter into peace negotiations.

Dr. von Bethmann Hollweg and he had that morning received the American, Spanish, and Swiss representatives, and had presented to them a Note proposing peace for transmission to the hostile Governments.

Austria, Turkey, and Bulgaria had simultaneously issued an identical Note, s.s., Dr. Hollweg, the text of which had been communicated to the Holy See and to all neutral. The contents had not yet been disclosed.

The wireless message adds:—The four Allied Powers have put forth propositions which, according to their firm belief, are an appropriate basis for the establishment of a lasting peace.

THE NOTE.

The Central Powers' Note says:—The German Emperor has sent a message to all his generals stating, "Soldiers—in agreement with the Sovereign, my A", and, with consciousness of victory, to the enemy. Whether it will be accepted is still uncertain. Until that moment arrive we shall fight on."

RECEPTION OF SPEECH.

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THE GREAT PEACE PLAY.

The curtain rises, and in the centre of the stage stands a humble peasant arrayed in sackcloth and荆棘. Germany plays a new role before an audience which is well rehearsed during the past eighteen months or more. The advance agents had carried out their duties in excellent style, and together with the advertising experts, had created a crowded house. Everything suggested that the place would be a success.

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West. M.P., Mr. J. J. Cohen, M.L.A., Mr. John Storey, M.L.A., and Mr. J. J. Morris, M.L.A. The question as to whether the metropolitan area could be worked on the Federal electorate basis was discussed. A motion will also be made by the group to the recruiting committee in a manner as to bring about a community of interests was submitted, and will be brought under the notice of the Director-General of Recruiting on his return from England.

The co-operation of all women's associations with the organisations for recruiting recruitment, and the chairman and secretary were instructed to communicate with such associations.

#### YESTERDAY'S ENLISTMENTS.

Volunteers at Victoria Barracks yesterday numbered 45, of whom 37 were accepted.

#### IN OTHER STATES.

MELBOURNE. Wednesday. To-day's recruiting figures were—Volunteers, 39; accepted, 20.

#### WAR CASUALTIES.

##### KILLED.

DRIVER STEWART. Driver Leslie Stewart was killed in France on November 14. Driver Stewart left Sydney in July last.

PATRICE J. C. MARTIN.

Alderman J. C. Martin, whose son, Private J. C. Martin, was first reported missing, afterward wounded and missing, has again been advised that he was killed in action in France about a month ago.

PATRICE H. J. BROTHERTON.

Private H. J. Brotherton, son of Mr. and Mrs. W. Brotherton, of Bombara, has been killed in action. He was 21 years of age.

PATRICE W. OVEREND.

Private Vassall Overend, son of Mr. and Mrs. John Overend, of Cathcart, has been killed in action.

PATRICE W. KEEVERS.

Private Walter Keevers, son of Mr. M. E. Keevers of Victoria, has been killed in action. He has two brothers at the front.

DIED OF WOUNDS.

LIEUT. W. H. ARNOLD. Second-Lieutenant W. H. Arnold, of Leichhardt, who died in hospital on October 11, was the youngest son of Inspector J. Arnold, of the Water and Sewerage Board. Prior to enlisting he was the commanding officer of the station and it was he who recommended Sergeant Jack Arnold, his brother, is serving at the front.

PATRICE A. THORNTON.

Private Albert Thornton, son of Mr. and Mrs. John Thornton, and a native of Bombara, has died of wounds in France on November 11. He was a native of Norway, and prior to enlisting resided at Braxton, West Macleayland.

WOUNDED.

PATRICE A. HARRISON. Private Arthur Harrison, son of Mr. W. Harrison, of West Macleayland, has been seriously wounded.

PATRICE A. HILSTROM.

Private Alfred Hilstrom, nephew of Mr. and Mrs. Bassett, Main-Street, Lithgow, has been severely wounded in France. Private Hilstrom enlisted at the age of 16 years, and his brother, Alfred, has also been wounded. His brother has been invalided home, having also been severely wounded.

PATRICE C. MILBURN.

Mr. Milburn, of Cumberland-Glen, Auburn, has been officially informed that his son, Private Charles Milburn, has been wounded. He sailed with the infantry in January last.

A memorial service will be held at All Saints' Church, Paddington, on Sunday at 2.30 p.m. in memory of the late Bugler Sergeant-major A. Gray, who has been killed in action in France.

#### PRICE OF COAL.

INCREASE OF 3/ PER TON.

MELBOURNE. Wednesday.

From an authoritative source it is learned that the question of the increase in the price of coal, which colliery owners are to be permitted to charge as a result of the eight-hour bank-to-bank concession, has not been decided by Mr. Stead, Minister of Mines.

The Minister has resisted the bank-to-bank clause on the ground that less coal would be won, and that to make up the difference the price would have to be increased. It is understood that the extra cost, in fact, will at least double the cost of coal, unless more can be made in the selling price without a corresponding increase being made in the hewing rate paid to the miners. It is also known that Hindmarsh, who has been asked to make up to the miners the Allies' aims, has not yet been able to fix the amount of the demands of both owners and miners.

Justice Edmunds, in deciding that the bank-to-bank concession should be made to the miners, reversed the question as to what increase should be allowed in the selling price, and thus increased has been fixed at 3d. This means that the miners will receive an additional 3/- extra price. The proportion of the increase which is to go to the miners has not been fixed.

TRADE WITH AMERICA.

AUSTRALIA'S CHANCES.

The advantages of the expansion of trade between Australia and the United States so that the exports from Australia to that country would equalise the imports to the Commonwealth were dilated upon by Mr. Nielsen in an address to the members of the Chamber of Commerce yesterday.

Mr. Nielsen claimed that the British Empire and the Allies owed more to the United States than to any other neutral nation, and accordingly America should be favourably considered when they came to think who thought Australia ought to have taken part in the war. It was a very good thing for us, he maintained, that she had not been drawn into the great struggle. Her army was so insignificant that it would not be able to render appreciable help on the land fighting, and the British could only count on a position of unequalled superiority if we were to do the help of America's fleet. The Allies were all aware of the tremendous aid that America had given in the way of supplies of munitions. Canada, too, had done a great deal to say, that when trade agreements were being drawn up among the Allies no conditions were inserted that right profit, harmful to the principles of the Entente, should be referred to the Paris conference arrangements, which provided for inter-Allied trade.

A voice: The Empire first and the Allies second, was the matter of preference. That is what the London Chamber of Commerce advised.

Mr. Nielsen said he could easily disprove the statements that he had been most instrumental in getting the Australian products sent to America, frequently found their way to Germany. He was positive that no goods would get through Sweden or any of the other countries to Germany. The British navy was so much on the alert.

On the motion of the president (Mr. Cooke, M.L.A.) a vote of thanks was accorded to Mr. Nielsen.

WAVERLEY COUNCIL.

TO THE EDITOR OF THE HERALD.

Sir.—From the reading of the report of the examination for the appointment of District Nurses published in your paper, the general public is not clearly informed of the facts of my case, and I would state it is a favour if you would care to publish the true facts which follow:

Some 18 months ago, at the request of the Waverley town clerk, the company of which I am a member supplied to the council the names of those who were married at the church, and were married at cost, and the other at a small profit.

This is the sole item of contention between the examined and myself, and I hope the examiner will take into account the fact that by supplying these articles I was committing an act against the interests of our wives.

As far as being the subject of inquiry, as far as I am concerned, I feel sure that this examination will satiate the raters of War Office that there was no illegality on my part to defend myself.

I am, etc.

BENJAMIN BARNETT.

#### LATE WAR NEWS.

#### RIOT IN HAMBURG.

LONDON, Dec. 13. The "Daily Express," in a sensational announcement, which it claims comes from a reliable source, states that 20,000 people took part in riots in Hamburg on Thursday, Friday, and Saturday. A thousand were killed and wounded. Troops were brought from Berlin to suppress the disturbance.

#### FRENCH WAR COUNCIL.

LONDON, Dec. 13. The National Defence Committee of the French Cabinet will consist of—M. Briand (Premier), M. Pétain (Minister for Finance), General Lyautey (Minister for War), Rear-Admiral Lacaze (Minister for the Navy), and M. Thomas (Minister for Munitions), with the technical advice and assistance of General Joffre.

#### ROLL OF HONOUR.

LONDON, Dec. 13. Lieutenant Thomas Storie Dixon, of the Coldstream Guards, the youngest son of Mr. Hugh Dixon, of Sydney, has been killed in action.

Second-Lieutenant Frederic Sydney Jones, of the Lancashire Fusiliers, son of the late Mr. Frederic Jones, of Sydney, has been killed in action.

#### GERMAN OFFER.

WHAT IS ITS PURPOSE?

LONDON, Dec. 13. London refuses to become over excited about the offer of peace by Germany, though everyone, naturally, is eager to hear what the Reichenbach mystery was about.

The newspapers, to-day, take the matter calmly, and mostly dismiss the offer by returning Mr. Asquith's declaration of the Entente's aims in the Reichstag. They point out that it is impossible to discuss the idea until a concrete offer is made.

It is safe to predict that the supposed details of the offer of peace terms emanating from the German Embassy at Washington, which leaked out at late noon, will not be discussed.

The London newspapers contrast Dr. von Bethmann-Hollweg's bombast with Mr. Briand's and Mr. Lloyd George's simple declaration of a desire to bring till victory is secured, made in their exchange of congratulations. The only fear in some quarters seems to be a possible accession of strength of the British pacifists.

The "Daily Chronicle," while declaring that we must insist on a reasonable fulfilment of the Entente's declaration, says the Allies should formally state their peace terms, otherwise Germany may possibly win a diplomatic victory.

The "Daily Chronicle," which fairly reflects public opinion, says that if Germany wants peace, she can always have it on our terms. She has only to inquire what the Germans are. Britain seems to be less anxious about the prospects of war than about the German's motives.

They believe that she was able to bluff the Allies into a position of weakness.

The "Daily Chronicle" says the Allies should be a little more serious in the same direction.

They also assert that the German army in mass is the country's last expiring effort—especially in view of the losses of enormous German losses on the Somme and Verdun. These organs conclude that Germany is a prey of apprehension, ready to be beaten.

The "Daily Telegraph" (Rotterdam) emphasises this view, and warns the Entente that German boastfulness has lately been revived.

If others want the Allies' aims imposed.

The newspapers opportunity quite influential German organs to show that the food problem in Germany is much more serious than supposed. Continental correspondents adduce facts leading in the same direction.

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